

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-466-C - ORDER NO. 2008-253

APRIL 8, 2008

IN RE: Application of Syniverse Technologies, Inc.)	ORDER GRANTING
For a Certificate of Public Convenience and)	EXPEDITED REVIEW,
Necessity to Provide Resold and)	GRANTING
Facilities-Based Local Telecommunications)	CERTIFICATE, AND
Services and for Flexible Regulation)	APPROVING FLEXIBLE
)	REGULATION

This matter comes before the Public Service Commission of South Carolina (“Commission”) by way of the Application of Syniverse Technologies, Inc. (“Syniverse” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold and facilities-based local exchange telecommunications services within the State of South Carolina. The Company’s Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 2007) and the rules and regulations of the Commission. By its Application, Syniverse also requests flexible regulation of its local exchange service offerings pursuant to Order No. 98-165 in Docket No. 1997-467-C, and waiver of certain Commission regulations.

The Commission’s Docketing Department instructed Syniverse to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of Syniverse and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. Syniverse complied with this

instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to Intervene was filed by the South Carolina Telephone Coalition (“SCTC”). Subsequent to the intervention, SCTC agreed not to file testimony, nor seek a stipulation in this matter. Subsequently, the Office of Regulatory Staff indicated that it did not oppose the Application.

Syniverse stated that it holds a Certificate of Public Convenience and Necessity to provide private line telecommunications services in South Carolina, granted by the Commission by Order No. 2004-39 in Docket No. 2003-290-C, and presently has authority to offer telecommunications services in thirty-six (36) states and authority to offer competitive local exchange services in eighteen (18) of those states. Syniverse moves for expedited review of its Application. Because of the statements of the Company, and based on the verified testimony of the Company witness David J. Robinson, we grant the motion and hold that it is reasonable to consider the matter without a hearing.

The record reveals that Syniverse is a corporation organized under the laws of the State of Delaware and that it is registered to transact business in South Carolina as a foreign company. According to Mr. Robinson, the Company seeks authority to provide local exchange services. Mr. Robinson explained the Company’s request for authority, and the record further reveals the Company’s services, operations, and marketing procedures. The Company intends to offer services to residential and business customers located in the State of South Carolina through a combination of its own facilities and facilities leased from BellSouth. Mr. Robinson also discussed Syniverse’s technical,

financial, and managerial resources to provide the services for which it seeks authority. Mr. Robinson offered that Syniverse possesses sufficient financial resources to support its operations in South Carolina.

With regard to management and technical capabilities, the Company's Application and Mr. Robinson's testimony both evidence that Syniverse's management has extensive experience in telecommunications, information technology, regulatory matters, and accounting and finance. Mr. Robinson also testified that Syniverse will operate in accordance with Commission rules, regulations, guidelines, and Commission Orders. Mr. Robinson offered that approval of Syniverse's Application would serve the public interest. Mr. Robinson, on behalf of the Company, requests a waiver of 26 S.C. Code Ann. Regs. 103-610, since the Company's books are maintained in Tampa, Florida. Further, the Company requests an exemption from record keeping policies that require maintenance of financial records in conformance with the Uniform System of Accounts ("USOA"). Syniverse maintains its books in accordance with Generally Accepted Accounting Principles ("GAAP"). In addition, the Company requests that it not be required to publish local exchange directories and therefore requests waiver of 26 S.C. Code Ann. Regs. 103-631. Further, the Company requests a waiver of the requirement to file an operating area map, because the Company will be operating only in areas served by BellSouth. This requirement is found in 26 S.C. Code Ann. Regs. 103-612.2.3.

After consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. Syniverse is organized as a corporation under the laws of the State of Delaware, and is authorized to do business as a foreign company in South Carolina by the Secretary of State.

2. Syniverse desires to operate as a provider of resold and facilities-based local telecommunications services in those areas of South Carolina served by BellSouth Telecommunications, Inc..

3. We find that Syniverse possesses the managerial experience and capability to operate as a provider, through resale and by means of its own facilities, of local exchange services in South Carolina.

4. We find that Syniverse possesses sufficient financial resources to provide the telecommunications services as described in its Application and testimony.

5. We find that the issuance of a Certificate of Public Convenience and Necessity to Syniverse to operate as a provider of local exchange telecommunications services in South Carolina would be in the best interest of the citizens of South Carolina by providing more innovative services.

6. Syniverse requests a waiver of 26 S.C. Code Ann. Regs. 103-610. The Commission finds Syniverse's requested waiver reasonable and understands the potential difficulty presented to Syniverse should the waiver not be granted. Further, we find that a waiver of 26 S.C. Code Ann. Regs. 103-610 to be in the public interest. We also believe that exemption from the policies that would require the Company to keep its records

under the USOA is reasonable. Additionally we find that waiver of 26 S.C. Code Ann. Regs. 103-631 and 103-612.2.3 is reasonable and in the public interest.

7. The Company has the managerial, technical, and financial resources to provide the telecommunications services as described in its Application. S.C. Code Ann. Section 58-9-280 (B) (1) (Supp. 2007).

8. The Commission finds that the Company's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. Section 58-9-280 (B) (3) (Supp. 2007).

9. The Commission finds that the Company will support universally available telephone service at affordable rates. S.C. Code Ann. Section 58-9-280 (B) (4) (Supp. 2007).

10. The Commission finds that telecommunications services to be provided by the Company will meet the service standards of the Commission. S.C. Code Ann. Section 58-9-280 (B) (2) (Supp. 2007).

11. The Commission finds that the provision of local exchange telecommunications service by the Company "does not otherwise adversely impact the public interest." S.C. Code Ann. Section 58-9-280(B)(5) (Supp. 2007).

CONCLUSIONS OF LAW

1. The Commission concludes that Syniverse possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that Syniverse will participate in the support of universally available telephone service at affordable rates to the extent that Syniverse may be required to do so by the Commission.

3. The Commission concludes that Syniverse will provide telecommunications services which will meet the service standards of the Commission.

4. The Commission concludes that approval of Syniverse's Application to provide intrastate telecommunications services within South Carolina will serve the public interest by providing for efficient use of existing telecommunications resources.

5. The Commission concludes that the provision of telecommunications service by Syniverse will not adversely impact the public interest.

6. The Commission concludes that the issuance of the authority to provide intrastate local exchange telecommunications services as requested by Syniverse and as set forth in its Application and Mr. Robinson's testimony is in the best interests of the citizens of the State of South Carolina.

7. The Commission concludes that a Certificate of Public Convenience and Necessity should be granted to Syniverse to provide resold and facilities-based intrastate local exchange telecommunications services in those areas of South Carolina served by BellSouth Telecommunications, Inc.

8. The Commission concludes the Company's local exchange telecommunications services shall be regulated in accordance with the principles and procedures established for flexible regulation first granted to NewSouth Communications by Order No. 98-165 in Docket No. 97-467-C. Specifically, the Commission adopts for

the Company's competitive intrastate local exchange services a rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels approved by the Commission. Further, the Company's local exchange service tariff filings are presumed valid upon filing. An investigation of the tariff filing may be instituted within 30 days of the tariff filing, in which case the tariff filing would be suspended pending further Order of the Commission. If an investigation is instituted on a particular tariff filing, notice of the investigation will be provided to the person or entity making the tariff filing and to the Commission. The notice is timely if dated within thirty days of the filing date. Further, any such tariff filings will be subject to the same monitoring process as similarly situated local exchange carriers.

9. We conclude that Syniverse's request for waiver of 26 S.C. Code Ann. Regs. 103-610 should be granted, since strict compliance with the regulation potentially causes undue hardship on the Company. We also grant exemption from the policies requiring the use of USOA. In addition, we grant waiver of 26 S.C. Code Ann. Regs. 103-631, which requires publication of a local telephone directory, and 26 S.C. Code Ann. Regs. 103-612.2.3, which requires the filing of an operating area map.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. A Certificate of Public Convenience and Necessity should be granted to Syniverse to provide resold and facilities-based local exchange telecommunications services within the State of South Carolina.

2. The Company's rate designs for its products shall conform to those designs described in Conclusions of Law above.

3. If it has not already done so by the date of issuance of this Order, Syniverse shall file its revised tariff, if any, and an accompanying price list for any applicable rates within thirty (30) days of receipt of this Order. The revised tariff should be electronically filed in a text searchable PDF format using the Commission's DMS System (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). The filed tariff shall be consistent with the findings of this Order and the Commission's Rules and Regulations, as well as the modifications to the tariff negotiated by Syniverse and the ORS. Future revisions to the tariff should be made using the ETariff System.

4. Syniverse shall file annual financial information in the form of annual reports and receipts reports as required by the Commission. The annual report and the gross receipts report will necessitate the filing of intrastate information. Therefore, Syniverse shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the ORS' website at www.regulatorystaff.sc.gov. The title of this form is "Telecommunications Company Annual Report." This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than **April 1st**.

Commission gross receipts forms are due to be filed with the Commission and ORS no later than **August 31st** of each year. The proper form for filing receipts

information can be found at the ORS website at www.regulatorystaff.sc.gov, and the appropriate form is entitled “Gross Receipts Form.”

Each telecommunications company certified in South Carolina is required to file annually with the ORS the Intrastate Universal Service Fund (“USF”) worksheet, which may be found on the ORS’s website at www.regulatorystaff.sc.gov. This worksheet provides ORS information required to determine each telecommunications company’s liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than **July 1st** with ORS.

5. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests, and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. Syniverse shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the Commission’s website at www.psc.sc.gov/forms.asp; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall promptly notify the Commission and ORS in writing if the representatives are replaced.

6. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

7. At the hearing, Syniverse requested a waiver of 26 Code Ann. Regs. 103-610 (Supp. 2007), which requires that records required by the Commission's Rules and Regulations be maintained in South Carolina. The Commission finds Syniverse's requested waiver reasonable and understands the potential difficulty presented to Syniverse should the waiver not be granted. The Commission therefore grants the requested waiver. However, Syniverse shall make available its books and records at all reasonable times upon request by the ORS, and Syniverse shall promptly notify the Commission and ORS if the location of its books and records changes. The Commission also finds reasonable the waivers of 26 S.C. Code Ann. Regs. 103-631 and 103-612.2.3 (Supp. 2007).

8 Syniverse also requests that it be exempt from record keeping policies that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts. The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation. As a competitive carrier, Syniverse maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). GAAP is used extensively by interexchange carriers and other competitive local exchange carriers. Accordingly, Syniverse requests an exemption from the USOA requirements. We grant the Company's request for the reasons stated above.

9 In the event that Syniverse offers or provides any service that would implicate Title 23, Chapter 47 of the South Carolina Code Annotated, Syniverse is required to comply with that Title and Chapter, which governs the establishment and

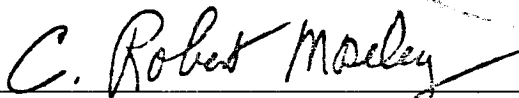
implementation of a “Public Safety Communications Center,” which is more commonly known as a “911” system or “911 service.” Services available through a 911 system include law enforcement, fire, and emergency medical services. In recognition of the necessity of quality 911 services being provided to the citizens of South Carolina, in the event Syniverse offers or provides the appropriate services, the Commission hereby instructs Syniverse to contact the appropriate authorities regarding 911 service in the counties and cities where the Company will be operating. Contact with the appropriate 911 service authorities is to be made before beginning local telephone service in South Carolina. Accompanying this Order is a memorandum from the State 911 Office of the Office of Research & Statistics of the South Carolina Budget and Control Board. This memorandum provides information about contacting County 911 Coordinators. By this Order and prior to providing local telephone services in South Carolina, Syniverse shall contact the 911 coordinator in each county (and city where the city has its own 911 system) and shall provide information regarding the Company’s operations as required by the 911 system.

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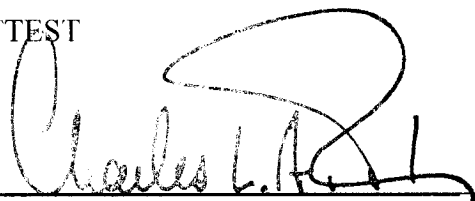
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10. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


C. Robert Moseley, Vice Chairman

ATTEST


Charles L. A. Terreni, Chief Clerk/Administrator

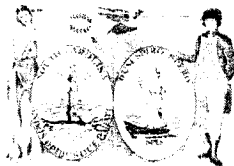
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STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF RESEARCH & STATISTICS

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CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

REMBERT C. DENNIS BUILDING
1000 ASSEMBLY STREET, SUITE 425
COLUMBIA, SOUTH CAROLINA 29201

Bobby Bowers
DIRECTOR

August 2, 2004

To: Telephone Companies New to South Carolina

In an effort to continue providing quality emergency services to the citizens of South Carolina, the State 911 Office requests that before beginning telephone services in a county, you contact the 911 Coordinator in that county. This will allow both parties to obtain important information about providing 911 services in that county. If you have already begun services, then contact the coordinator as soon as possible.

A list of County 911 Coordinators can be found on the South Carolina E911 homepage at www.ors.state.sc.us/digital/E-911.ASP. If you have any questions related to 911 in South Carolina, you may contact E911 Coordinations at the Office of Research and Statistics at 803-734-3883. The person responsible for this can also be found on the 911 homepage. Please be aware that some cities may have their own E911 systems, these are also listed on the 911 homepage. These city coordinators will need to be contacted in addition to the county coordinators.

ECONOMIC RESEARCH
WILLIAM GILLESPIE
(803) 734-3875

GEODETIC SURVEY
5 GEOLOGY ROAD
COLUMBIA, S.C. 29210
LEWIS LAPINE
(803) 896-7700

DIGITAL CARTOGRAPHY
(803) 734-3802

HEALTH & DEMOGRAPHICS
STATISTICS
1919 BLANDING STREET
COLUMBIA, S.C. 29201
WALTER P. BAILEY, M.P.H.
(803) 898-9941